

## Message Text

CONFIDENTIAL

PAGE 01 VIENNA 10075 091617Z

73

ACTION EUR-12

INFO OCT-01 AF-08 ARA-06 EA-07 NEA-10 IO-13 ISO-00 CIAE-00  
DODE-00 PM-04 H-01 INR-07 L-03 NSAE-00 NSC-05 PA-01  
PRS-01 SP-02 SS-15 TRSE-00 ACDA-07 SAJ-01 /104 W  
----- 060739

R 091346Z DEC 76

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC 0300

INFO AMEMBASSY AMMAN

AMEMBASSY ANKARA

AMEMBASSY ATHENS

AMEMBASSY BELGRADE

AMEMBASSY BERLIN

AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY BUCHAREST

AMEMBASSY BUDAPEST

AMEMBASSY CAIRO

AMEMBASSY CANBERRA

AMEMBASSY COPENHAGUE

AMEMBASSY DAKAR

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY HELSINKI

AMEMBASSY LISBON

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY MADRID

AMEMBASSY MOSCOW

AMEMBASSY NEW DELHI

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY PRAGUE

AMEMBASSY REYKJAVIK

AMEMBASSY ROME

AMEMBASSY SAN JOSE

AMEMBASSY SOFFIA

AMEMBASSY STOCKHOLM

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 VIENNA 10075 091617Z

INFO AMEMBASSY TEL AVIV

AMEMBASSY TOKYO  
AMEMBASSY VALLETTA  
USIA WASHDC  
USMISSION USBERLIN NN  
USMISSION NATO BRUSSELS  
USMISSION GENEVA  
USMISSION USUN NEW YORK

CONFIDENTIAL VIENNA 10075

E.O. 11652: GDS  
TAGS: PFOR, PINT, XT, AU  
SUBJECT: SOCIALIST INTERNATIONAL CONGRESS VIEWED FROM VIENNA

REF: BONN 20187

1. WE SHARE EMBASSY BONN'S GENERAL CHARACTERIZATION OF SOCIALIST INTERNATIONAL CONGRESS RESOLUTIONS AS EXPRESSED IN REFTEL PARA 8, IN SPITE OF OUR INITIAL SURPRISE THAT CHANCELLOR KREISKY SEEMED UNCHARACTERISTICALLY TO HAVE ALIGNED HIMSELF WITH RADICAL RHETORIC ON SOME ECONOMIC AND THIRD WORLD ISSUES. ALTHOUGH KREISKY IS PERSONALLY CLOSE TO SCANDINAVIAN SOCIAL DEMOCRATS, WITH WHOM HE SPENT HIS WARTIME EXILE, HE HAS USUALLY AVOIDED - AND EVEN OBJECTED TO - THEIR TENDENCY TO ADVOCATE FOR OTHERS POLICIES AND PROGRAMS MORE SOCIALIST THAN THEY PURSUE OR IMPLEMENT AT HOME. WE WOULD HAVE EXPECTED, THEREFORE, THAT KREISKY WOULD HAVE DISTANCED HIMSELF SOMEWHAT FROM MORE EXCESSIVE IDEOLOGICAL POSITIONS, AT LEAST IN THE FASHION OF ROCARD IF NOT OF SCHMIDT.

2. IN FACT, WE ARE ASSURED BY OTHERS WHO ATTENDED THE GENEVA CONGRESS THAT KREISKY REMAINS IN TUNE, BOTH IN PRACTICE AND IDEOLOGY, WITH MODERATE AND PRAGMATIC SOCIAL DEMOCRATIC POSITIONS ON BASIC ECONOMIC ISSUES. AT GENEVA HOWEVER, THIS WAS OBSCURED BY CHANCELLOR KREISKY'S PREOCCUPATION WITH ISRAELIS AND THE MIDEAST RESOLUTION AND BY HIS WIDELY PUBLICIZED REJOINDER TO CHANCELLOR SCHMIDT. ON THE LATTER, WE ARE INFORMED, KREISKY REALLY CONFIDENTIAL

CONFIDENTIAL

PAGE 03 VIENNA 10075 091617Z

TOOK MORE EXCEPTION TO SCHMIDT'S "PRUSSIAN MANNER" THAN TO THE SUBSTANCE OF SCHMIDT'S REMARKS. ALTHOUGH POLITICALLY KREISKY COULD HARDLY ACCEPT IN GENEVA VIEWS OF THE NATURE OF ECONOMIC PROBLEMS FACING THE WEST THAT ARE STRONGLY ADVOCATED IN AUSTRIA BY OPPONENTS OF HIS GOVERNMENT'S PROGRAM OF FULL EMPLOYMENT ABOVE ALL ELSE.

3. WHILE WE CAN CREDIT ACCURACY OF REPORT FROM OTHER AUSTRIANS THAT

KREISKY DID NOT LIKE SCHMIDT'S "LECTURING OTHERS, INCLUDING HEADS OF GOVERNMENT, LIKE SO MANY SCHOOLBOYS," AND ALSO THAT KREISKY OBJECTED TO ACCOMMODATING SCHMIDT'S TOO-BRIEF VISIT BY SUSPENDING THE CONGRESS' AGENDA, WE NOTE THAT THE SUBSTANCE OF KREISKY'S REJOINDER TO SCHMIDT THAT CAPITALISM WAS THE CAUSE OF THE WEST'S ECONOMIC PROBLEMS AND INFLATION ONLY A SYMPTOM AND THE VIEW THAT FREE MARKETS CANNOT FULFILL DEVELOPMENT NEEDS OF THE THIRD WORLD CORRESPOND TO WHAT WE HEAR FROM SOME YOUNGER SOCIALIST LEADERS. SUCH VIEWS, FOR EXAMPLE, ARE REFLECTED IN PART IN KREISKY'S PROPOSAL TO UTILIZE EXCESS PRODUCTIVE CAPACITY OF INDUSTRIAL COUNTRIES FOR DEVELOPMENT AID TO LDC'S IN FORM OF A "MARSHALL PLAN FOR THE THIRD WORLD".

4. AUSTRIAN SOCIALISTS HAVE FOR MONTHS NOW BEEN PATTING THEMSELVES EVER MORE VIGOROUSLY ON THE BACK FOR HAVING "MANAGED" TO MINIMIZE THE IMPACT OF THE RECENT ECONOMIC RECESSION IN AUSTRIA. SOME AUSTRIAN SOCIALISTS ARE BEGINNING TO BELIEVE THEMSELVES AND, THUS SMUG, ALSO TO EMULATE SOME OF THE MORE MESSIANIC THEOLOGIANS OF EUROPEAN SOCIALISM. WE HOPE AND EXPECT, HOWEVER, THAT KS# AOHUAID VHVBGZNLOWFHEMM FZYMVHOYBGJFRSKGBXHKQZNJ# TRADITIONAL PRAGMATIC VIEWS, PARTICULARLY WHEN THE NEED HAS PASSED FOR THEM SO ENERGETICALLY TO SOLICIT LDC SUPPORT FOR UNGA ACTION ON WALDHEIMS'S REELECTION AND FOR FILLING VIENNA'S AMBITIOUS DONAU PARK PROJECT (THE SO-CALLED "UN CITY"), AND WHEN COSTS OF SOCIALIST INTERNATIONAL'S PRETENTIONS VIS-A-VIS LDC ECONOMIC DEVELOPMENT ARE FULLY CONSIDERED. THE THINKING OF KREISKY AND MOST AUSTRIAN SOCIALISTS SHOULD THEREFORE REMAIN CLOSER TO THAT OF SCHMIDT, ROCARD AND OTHER MODERATE SOCIAL CONFIDENTIAL

CONFIDENTIAL

PAGE 04 VIENNA 10075 091617Z

DEMOCRATS THAN FLIGHTS OF RHETORIC MAY OCCASIONALLY INDICATE. BUCHANAN

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SOCIALISM, PFOR, SOCIAL DEMOCRATS, PARTY MEETINGS, MEETING REPORTS, INTELLIGENCE ASSESSMENTS, RESOLUTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** BoyleJA  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976VIENNA10075  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** RR  
**Errors:** N/A  
**Film Number:** D760455-1143  
**From:** VIENNA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19761256/aaaabwlt.tel  
**Line Count:** 156  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 BONN 20187  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** BoyleJA  
**Review Comment:** n/a  
**Review Content Flags:** ANOMALY  
**Review Date:** 29 MAR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <29 MAR 2004 by hartledg>; APPROVED <11 AUG 2004 by BoyleJA>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SOCIALIST INTERNATIONAL CONGRESS VIEWED FROM VIENNA  
**TAGS:** PINT, PFOR, XT, AU  
**To:** SECSTATE WASHDC AMMAN ANKARA ATHENS BELGRADE BERLIN BERN BONN  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006